



Town of Concord
Finance Committee
22 Monument Square
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To: Maureen Spada, Chair, Concord School Committee

From: John Hutchins, Chair, Guidelines Subcommittee, Concord Finance Committee JM

Cc: Diana Rigby, Superintendent, Concord Public Schools
John Flaherty, Deputy Superintendent for Finance and Operations,
Concord Public Schools

Date: August 3, 2012

Re: Annual Budget Data Request

The Guidelines Subcommittee requests information to assist us as we work toward preparing CPS budget guidelines for FY14. We are most interested in hearing what you think we need to know as we work toward setting the guidelines.

As you know, this year's budget guidelines setting process will unfold at the same time as construction is expected to begin on the new high school building project, as the Town and the Regional School District continue to analyze how best to meet their obligations regarding their "OPEB" (other post-employment benefits) liabilities, and amidst national elections and fiscal and macroeconomic uncertainties. We expect that the Guidelines Committee will consider both short- and longer term implications of these matters carefully.

We prefer to start with a general conversation with the Superintendent and the Deputy Superintendent, focusing on the larger picture. Any comments you may choose to make as Chair of the Concord Public School Committee will of course be welcome. We do not expect presentation of a detailed preliminary budget in October. As in the past, the Guidelines Subcommittee is asking you to reflect on the past ten years, provide your vision for the Concord Public Schools over the next five to ten years, and then focus on the issues and priorities for FY14.

The School Committees have provided much helpful information in the Performance Report Spring 2012 distributed in advance of the 2012 Town Meeting and the Concord Public Schools and Concord Carlisle Regional High School FY13 Budget Requests report. Finance Committee members will be asked to bring those reports with them to the Guidelines meetings so that you do not have to repeat the information contained in them but can simply reference the relevant pages in those documents.

More specifically, we hope you will address the following:

1. Please discuss the factors that have impacted per-pupil costs most significantly in FY11, 12 and 13, the outlook for those factors in FY14 through FY18 and CPS per-pupil costs relative to per-pupil costs in comparable peer school systems. Please discuss in terms of costs of
 - Regular Education
 - Materials and technology
 - Administration
 - Pupil services
 - Special education
 - Guidance and counseling
 - '
2. What are your top 3-4 priorities in terms of improved learning/development effectiveness over the next 5 years? What are the desired outcomes? What resources will be needed? What performance milestones should we expect?
3. What is the outlook for the growth rate in total operating expenditures for CPS over the next five years?
 - What is the outlook for total enrollments at CPS? For METCO and other non-resident students?
 - What is the outlook for Special Education expenditures, out-of-district placements and reimbursements?
 - What is the outlook for faculty compensation including steps, scales, and lane changes? Please provide a summary of the major collective bargaining agreements (those covering more than ten employees) showing the duration of each such contract, its expiration date, the number of employees covered by the agreement and the annual escalators in the contract for FY 12, 13 14 and 15 (if applicable) for salary steps, lanes and scales. Please comment on recent trends in the costs of employee benefit programs, how those costs have been changing as a percentage of overall employee compensation, and what changes you foresee over the next five years. Please discuss your plans for meeting the Region's obligations for FY14 and projected through FY18 for contributions to funding retirees' other post-employment benefits (OPEB). What is the outlook for numbers of faculty FTEs, administrative FTEs, and total FTEs? Please indicate what percentage of your faculty has now achieved the highest step in the pay grade.
 - What are the main uncertainties that you face in projecting forward?
 - How would programs, staffing, faculty levels or information technology plans be affected if the FY 14 budget were to be approved (a) with only a 2% increase above the FY 13 budget? or (b) with no increase at all over the FY 13 budget?

4. What level of capital expenditures is planned over the next five years, including transportation services facilities? Please identify what expenditures will be proposed to be financed through the issuance of long-term debt and what expenditures will be proposed to be financed as capital outlays within the current budget of each year (without debt issuance).
5. Please indicate the amounts in the CPS Capital Needs and CPS Technology Stabilization Funds as of September 30, 2012 and any planned uses of or additions to those funds in FY13 or FY14.
6. Please discuss any anticipated changes in the budgeted amounts for transportation services for FY 13, the amounts you contemplate for the FY 14 budget and over the next five years.
7. Please report on all off-budget sources of funding, including all receipts, fees, federal, state and other grants for FY12, FY13 (as known to date) and anticipated or planned for FY14, including the finances of our METCO program (inclusive of transportation). Please discuss any changes anticipated in the level, rate or method of determining such receipts, fees and grants.
8. Is the current level of capital expenditures sufficient, assuming the continued use of the Concord Middle School's Sanborn and Peabody buildings for another decade or longer?
9. Please provide an overview for us of any anticipated changes in the criteria CPS uses to measure its performance and cost effectiveness.

We have scheduled Thursday, October 11, for our initial meeting and Thursday, November 1, for a more detailed follow-up meeting. We would appreciate receiving as much information as possible from you in electronic form by October 5, 2012 to allow for distribution to and review by Committee members in advance of our meeting.

We greatly appreciate your cooperation and collaboration with us in the past and thank you in advance for your efforts this year. We look forward to interesting and constructive conversations this fall.